

**EXHIBIT 1613 TO  
CISNEROS DECLARATION  
REDACTED VERSION**

**From:** Tiffany Wu <twu@google.com> on behalf of Tiffany Wu  
**Sent:** Friday, September 07, 2007 4:37 AM  
**To:** linus@google.com  
**Cc:** frankwagner@google.com  
**Subject:** three attachments for testing new salary algorithms

Linus,

Thanks so much again for spending a huge chunk of your time with us yesterday. As promised, here is a set of models and outcomes for you to review. To reiterate the goals of the salary (merit + promo) algorithms:

1. Ensure internal equity by managing salaries within a reasonable range ( [REDACTED] ) for a given job at a given job level
2. Provide some differentiation in base pay for low performers
3. Provide some differentiation in base pay for high performers

Attached are two "back-test" files for you to review. Using data from the 2006 Annual Salary Review data set (salaries prior to adjustment + 2006 Annual Rating), we compared the outcomes of applying the old algorithm vs. the new algorithm. Here are instructions on how to manipulate data in these files:

- I've removed all employee and manager names, and randomized employee ID numbers.
- Any cells highlighted in pale yellow are cells in which you can change the inputs.
- In the matrices, all cells highlighted in blue are the ones that can be changed (all other numbers in the matrices are interpolated based on the inputs in the blue cells).
- Please ensure Tools > Options > Calculation in Excel are set to "Automatic", or alternatively set it to "Manual" and after you make any changes, hit the F9 key to manually recalculate.
- To refresh pivot tables, right click on the table and select "Refresh Data" (this only applies to two tabs, namely the "rating prior to promo summary" and "downslot-promo summary" in the promo back-test file).
- Generally speaking, the most interesting outcomes are summarized in the "Headcounts" tab and I've highlighted a few key takeaways on said tab.
- Using custom filters in the "Comparison" tab will give you the opportunity to do a deep dive beyond what you see in the "HeadCounts" tab.

Separately, I've attached a testing tool for playing out various scenarios in the current cycle and the subsequent cycle, whereby you may key in position relative to reference point pre-adjustment + average rating and see where individuals are placed post-adjustment. Again, the pale yellow cells are the ones where inputs can be toggled.

I'm working on a "forward-test" tomorrow and also more summary stats on salary (yes, unfortunately, salary alone) along the lines of what you had sketched out on the white board. I've spoken to Frank about the total compensation picture you're really looking for and he's on-board to get towards that in the foreseeable future! Please let me know if you have any questions.

Cheers,  
Tiffany

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